

## GLOSSARY

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**Ad Valorem Tax:** A tax levied in proportion to the value of a property.

**Activity:** Departmental efforts which contribute to the achievement of a specific set of program outcomes; the smallest unit of the program budget.

**Allocate:** To set apart portions of budgeted expenditures which are specifically designated to organizations for special activities or purposes (i.e., various rescue squads).

**Annual Budget:** A budget covering a single fiscal year.

**Appropriation:** An authorization granted by the Board of Commissioners to make budgeted expenditures and to incur obligations for purposes specified in the budget ordinance.

**Approved Budget:** The budget as formally adopted by the Board of Commissioners for the upcoming fiscal year.

**Assessed Value:** The value of real estate or personal property as determined by tax assessors and used as a basis for levying taxes.

**Assessment:** The process for determining values of real and personal property for taxation purposes.

**Authorized Bond:** Bonds which have been legally approved but may or may not have been sold.

**Balanced Budget:** Occurs when planned expenditures equal anticipated revenues. In North Carolina it is required that the budget submitted to the Board of Commissioners be balanced.

**Board of County Commissioners:** Five member Board elected at large by the voters of the County for four year terms.

**Bond:** A written promise to pay a specific amount of money with interest within a specific time period, usually long-term.

**Bond Issued:** Bonds that are sold.

**Bond Rating:** A grade indicating a governmental unit's investment qualities. Generally speaking, the higher bond rating, the more favorable the interest rate and the lower the cost of financing capital projects funded by bonds. A high rating is indicative of the Government's strong financial position. Ratings range from AAA (highest) to D (lowest).

**Budget Document:** A formal document presented to the Board of Commissioners containing the County's financial plan for a fiscal year.

**Budget Message:** A written overview of the proposed budget from the County Manager to the Board of Commissioners which discusses the major budget items and the County's present and future financial condition.

**Capital Improvement Plan:** A long term plan of proposed capital improvement projects which includes estimated project costs and funding sources that the County expects to undertake within a five year period. The plan is updated annually to reassess capital needs.

**Capital Outlay:** An expenditure expected to have a useful life greater than three years or an estimated total cost of \$5,000 or more. Capital outlay expenditures include such purchases as a vehicle, ambulance equipment, or Landfill equipment.

**Capital Project:** A project expected to have a useful life greater than ten years or an estimated total cost of \$100,000 or more and requiring professional certification. Capital projects include the construction, purchase, or major renovation of a building or the purchase of land.

**Capital Projects Fund:** A fund used to account for the acquisition or construction of major governmental capital facilities and equipment which are not financed by other funds.

**Contingency Account:** Account in which funds are set aside for unforeseen expenditures which may become necessary during the year and which have not been provided for in the context of the annual operating budget. Transfers from this account must be approved by the County Manager or Board of Commissioners.

**Current Expense:** Local funds used to supplement the State's minimum level of support for operating the schools. These funds by State law are appropriated on a per pupil basis.

**Debt Service:** Used for payment of general long-term debt principal, interest, and related costs.

**Delinquent Taxes:** Taxes that remain unpaid after the due date on which a penalty for nonpayment is incurred.

**Department:** A major administrative division of the County that has overall management responsibility for an operation within a function area.

**DHR:** Represents Departments of Human Resources that includes Social Services, Public Health, and Mental Health Partners.

**Encumbrance:** A financial commitment for services, contracts, or goods that have not as yet been delivered or performed.

**Enterprise Fund:** A grouping of activities whose expenditures are wholly or partially offset by revenues collected from consumers in the form of fees and charges.

**Expenditures:** The total costs of a program or capital project.

**Fire District:** Special voter-approved districts within the County established to furnish fire protection to residents and supported by property taxes.

**Fiscal Year:** The time period beginning July 1 of a calendar year and ending on June 30 of the following calendar year. Budgeting is carried out on a fiscal year schedule.

**Fixed Asset:** An asset of long-term character. For budgetary purposes a fixed asset is defined as an item costing \$1,000 or more with an expected life of more than three years.

**FORESIGHT:** FORESIGHT was first created in 1985 to bring 20 business, cultural, educational, and governmental leaders from across the County together for a detailed, long range strategic planning study. Their goal was to examine the County's economic status, identify key areas of strength and weakness, and recommend strategies that would enhance the County's long-term economic growth.

**Fringe Benefits:** For budgeting purposes fringe benefits include employer payments for social security, retirement, group health, life insurance, dental insurance, and workers compensation.

**Full-Time Equivalent (FTE):** An FTE converts the hours worked by a position into a percentage of a full year's number of hours. One FTE equals 40 hours per week or 2,080 hours per years per permanent position.

**Fund:** An accounting entity created to record the financial activity for a selected financial grouping. A fund is set up to carry out a special function or attain certain objectives in accordance with set laws and regulations.

**Fund Balance:** Amounts shown as fund balance represent monies which remain unspent after all budgeted expenditures have been made. North Carolina statutes dictate that a portion of fund balance should be retained and not made available for appropriation in the following fiscal year.

**Function:** A broad grouping of activities and departments whose outcomes and expenditures are inter-related. Examples of functions within Catawba County include Human Services, Public Safety, and General Government.

**General Fund:** The general operating fund of the County used to account for all financial resources except those required to be accounted for in another fund.

**General Obligation Bonds:** Bonds issued by a government that are backed by the full faith and credit of its taxing authority.

**Grants:** A broad statement of desired conditions to be maintained or achieved through the efforts of an organization.

**Indirect Cost:** The component of the total cost for a service that is provided by and budgeted within another department or division. Indirect costs are budgeted to more accurately reflect the true total cost for such services such as those provided by the Administrative Departments.

**Intergovernmental Revenues:** Revenues from other governments (State, Federal, or local), which can be in the form of grants, shared revenues, or entitlement.

**Lease Purchase:** A method of purchasing equipment in which payments are spread over a period of time.

**Levy:** The amount of tax, service charge, and assessments imposed by the government.

**Line Item:** A budgetary account representing a specific object of expenditure.

**Modified Accrual:** The County budgets all funds on the modified accrual basis of accounting according to North Carolina General Statute. This is an accounting method in which revenues are recorded when they are earned or billed and expenditures are recorded when they are obligated.

**Ordinance:** A formal legislative enactment by the Board of Commissioners that has the full force and effect of law within the boundaries of the County.

**Personal Services:** Salaries and wages paid to employees for full-time, part-time, and temporary work including overtime and similar compensation. Also included in this account group are fringe benefits paid for employees.

**Program:** A well-defined portion of the operating plan for which a distinct set of goals and outcomes may be developed.

**Program Objective:** A specific statement about what is to be accomplished or achieved for a particular program during the fiscal year.

**Public Safety:** A group of expenditures related to the provision and enforcement of law enforcement and fire and disaster protection.

**Reappraisal:** The process of revaluing a jurisdiction's real property in order to adjust the tax value to the market value. By North Carolina law, a revaluation must be conducted at a minimum of every eight years.

**Reclassification:** A change in the classification and corresponding job title of an existing position that results from a major change in assigned responsibilities.

**Reinventing Department:** One of five departments operating under alternative methods for budgeting which give more flexibility for accounts.

**Reserve:** An account designated for a portion of the fund balance that is to be used for a specific purpose.

**Revenue:** Income including transfers and excluding proceeds from the sale of bonds or notes for the fiscal year. The major categories of revenue include taxes, intergovernmental, Federal and State, permits and fees, sales and services, and interest on investments.

**Special Revenue Fund:** A fund used to account for the revenues from specific sources that are to be used for legally specified expenditures.

**Tax Levy:** Revenue produced by applying a given tax rate to a property's assessed or tax value.

**FINANCIAL STATISTICS AND STATEMENTS  
FOR FISCAL YEAR ENDING JUNE 30, 2009**

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of General Governmental Expenditures by Function<sup>1</sup>**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>General Government</b>	<b>Public Safety</b>	<b>Environmental Protection</b>	<b>Economic &amp; Physical Development</b>
<b><i>Modified Accrual Basis of Accounting</i></b>				
1999	8,058,798	12,693,838	423,155	4,199,148
2000	8,728,954	15,094,171	430,994	4,871,841
2001	7,466,659	15,025,312	505,205	6,735,065
2002	7,569,288	16,313,961	388,926	7,518,580
2003	8,543,435	17,156,936	321,413	7,409,045
2004	8,506,393	19,088,555	384,942	7,594,145
2005	9,449,992	20,032,107	428,549	7,886,973
2006	9,978,986	21,209,400	452,180	8,651,385
2007	9,613,213	23,021,049	475,667	10,889,872
2008	9,944,571	26,916,838	520,587	10,682,552
2009	11,556,920	28,513,201	512,882	10,727,052

**Note:**

<sup>1</sup>Includes General, Special Revenue, and Capital Projects Funds.

<b>Human Services</b>	<b>Culture and Recreation</b>	<b>Education</b>	<b>Capital Projects</b>	<b>Debt Service</b>	<b>Total</b>
47,155,262	2,265,773	24,172,744	30,977,070	9,344,983	143,041,792
48,907,143	2,274,479	25,871,097	30,993,580	10,854,822	148,633,362
53,307,477	2,292,733	27,566,111	25,702,494	11,481,155	152,140,725
55,721,269	2,234,409	28,202,411	13,181,244	10,987,317	142,117,405
56,659,920	2,186,614	27,437,466	7,859,145	10,778,702	138,352,676
59,078,864	2,331,664	30,048,641	18,690,079	10,427,413	156,150,696
66,508,454	2,610,001	32,544,711	42,549,957	14,836,096	199,341,170
65,236,455	2,695,423	34,222,295	28,338,920	15,152,476	189,645,370
73,960,327	2,719,466	38,014,454	19,683,740	15,213,857	197,656,392
55,118,250	2,758,206	39,948,749	39,869,050	17,135,334	206,139,644



**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of General Governmental Revenues by Source<sup>1</sup>**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>Ad Valorem Taxes</b>	<b>Other Taxes</b>	<b>Unrestricted Intergovernmental Revenues</b>
<b><i>Modified Accrual Basis of Accounting</i></b>			
2000	53,313,472	23,136,615	4,455,262
2001	55,112,257	23,470,898	4,466,558
2002	57,268,329	23,023,315	4,021,740
2003	59,388,468	25,207,828	1,379,229
2004	63,153,315	28,444,404	1,336,917
2005	64,037,632	30,151,572	1,095,733
2006	66,233,752	31,654,028	1,248,170
2007	68,270,907	35,415,288	1,235,023
2008	81,625,223	36,391,110	1,970,909
2009	84,125,547	32,794,322	2,127,081

**Note:**

<sup>1</sup>Includes General, Special Revenue, and Capital Projects Funds.

<b>Restricted Intergovernmental Revenues</b>	<b>Licenses and Permits</b>	<b>Sales and Service</b>	<b>Investment Earnings</b>	<b>Miscellaneous</b>	<b>Total</b>
33,650,901	2,063,027	12,042,526	4,221,567	2,301,963	135,185,333
39,413,713	2,104,748	13,122,659	5,239,407	2,612,690	145,542,930
36,382,864	2,211,753	15,121,137	2,720,791	2,544,061	143,293,990
32,683,132	2,383,424	16,664,263	2,107,354	2,997,207	142,810,905
36,297,819	2,959,092	17,742,167	642,651	4,614,575	155,190,940
42,141,280	3,457,883	17,420,439	2,773,588	3,803,472	164,881,599
44,764,103	3,214,736	16,591,727	3,912,728	3,725,976	171,345,220
46,532,532	3,773,033	12,849,786	5,883,078	3,998,845	177,958,492
56,482,993	4,101,574	15,071,656	5,600,327	4,309,242	205,553,034
41,946,212	2,271,147	12,936,583	3,837,081	3,624,321	183,662,294

**CATAWBA COUNTY, NORTH CAROLINA**  
**Assessed Valuation and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Public Utilities</b>
2000	7,415,161,955	2,324,551,977	502,521,581
2001	7,676,297,260	2,614,445,636	484,704,904
2002	7,988,283,700	2,709,118,917	479,273,637
2003	8,265,105,733	2,796,143,745	507,720,148
2004	9,513,468,457	2,640,843,044	517,072,839
2005	9,722,396,729	2,680,617,427	539,742,782
2006	9,919,033,408	2,558,398,877	545,842,516
2007	10,174,785,855	2,614,088,394	570,452,150
2008	11,444,764,023	2,606,879,334	603,786,566
2009	11,778,146,940	2,560,844,568	794,924,639

<b>Total Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Real Market Value</b>
10,242,235,513	0.550	11,123,978,455
10,775,447,800	0.495	10,331,082,825
11,176,676,254	0.495	11,493,810,987
11,568,969,626	0.495	12,119,579,542
12,671,384,340	0.495	12,965,336,351
12,942,756,938	0.480	12,715,889,955
13,023,274,801	0.480	13,033,994,902
13,359,326,399	0.490	13,499,818,390
14,655,429,923	0.535	N/A
15,133,916,147	0.535	N/A

**Note:**

Tax rate expressed in dollars of tax per \$100 of assessed valuation.

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

	<i>Fiscal Year</i>				
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
<b>Catawba County</b>	0.5350	0.5350	0.4900	0.4900	0.4800
<b>Fire Districts</b>					
Bandys	0.0600	0.0600	0.0600	0.0500	0.0390
Catawba	0.0700	0.0700	0.0700	0.0700	0.0700
Claremont	0.0700	0.0700	0.0700	0.0700	0.0700
Conover Rural	0.0700	0.0700	0.0700	0.0500	0.0500
Cooksville	0.0517	0.0517	0.0550	0.0550	0.0550
Denver	0.0000	0.0389	0.0500	0.0500	0.0450
Fairbrook	0.0000	0.0000	0.0325	0.0325	0.0257
Icard - Long View	0.0000	0.0000	0.0000	0.0000	0.0000
Icard - Mountain View	0.0000	0.0000	0.0000	0.0000	0.0000
Long View	0.0546	0.0546	0.0568	0.0568	0.0568
Maiden	0.0500	0.0500	0.0500	0.0312	0.0312
Mountain View	0.0493	0.0493	0.0525	0.0425	0.0425
Newton	0.0700	0.0700	0.0700	0.0700	0.0513
Oxford	0.0558	0.0558	0.0600	0.0600	0.0600
Propst	0.0615	0.0615	0.0650	0.0650	0.0650
Sherrills Ford	0.0500	0.0500	0.0500	0.0500	0.0400
Startown	0.0000	0.0000	0.0000	0.0000	0.0000
St. Stephens	0.0500	0.0500	0.0500	0.0500	0.0500
Viewmont	0.0000	0.0000	0.0325	0.0325	0.0248
<b>Municipalities:</b>					
Town of Brookford	0.5200	0.5200	0.5200	0.5200	0.5200
Town of Catawba	0.4800	0.4800	0.4800	0.4800	0.4800
City of Claremont	0.4600	0.4600	0.4500	0.4500	0.4500
City of Conover	0.4000	0.4000	0.4000	0.3800	0.3800
City of Hickory	0.5000	0.5000	0.5000	0.5000	0.5000
Town of Long View	0.4000	0.4000	0.4000	0.4000	0.4000
Town of Maiden	0.4000	0.4000	0.4000	0.4000	0.3800
City of Newton	0.4800	0.4600	0.4600	0.4400	0.4400
<b>Total Maximum Rate - Fire District</b>	<b>0.6050</b>	<b>0.6050</b>	<b>0.5600</b>	<b>0.5600</b>	<b>0.5500</b>
<b>Total Maximum Rate - Municipalities</b>	<b>1.0550</b>	<b>1.0550</b>	<b>1.0100</b>	<b>1.0100</b>	<b>1.0000</b>

**Note:**

All tax rates are expressed in dollars of tax per \$100 of assessed valuation. For the above years, the tax levies were assessed at one hundred percent (100%) of the actual value.

<i>Fiscal Year</i>				
<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
0.4800	0.4950	0.4950	0.4950	0.4950
0.0390	0.0390	0.0390	0.0390	0.0390
0.0700	0.0700	0.0700	0.0700	0.0700
0.0700	0.0700	0.0700	0.0700	0.0700
0.0350	0.0350	0.0350	0.0350	0.0350
0.0550	0.0600	0.0600	0.0600	0.0600
0.0293	0.0320	0.3200	0.0320	0.0320
0.0257	0.0280	0.2800	0.0280	0.0280
0.0000	0.0440	0.4400	0.0440	0.0440
0.0000	0.0400	0.4000	0.0400	0.0400
0.0568	0.0620	0.6200	0.0620	0.0620
0.0312	0.0340	0.0340	0.0340	0.0340
0.0425	0.0450	0.0450	0.0450	0.0410
0.0513	0.0560	0.0560	0.0600	0.0500
0.0600	0.0600	0.0600	0.0600	0.0600
0.0650	0.0650	0.0650	0.0650	0.0650
0.0400	0.0400	0.0400	0.0400	0.0320
0.0000	0.0000	0.0000	0.0500	0.0500
0.0500	0.0500	0.0500	0.0500	0.0500
0.0248	0.0270	0.0270	0.0270	0.0270
0.5200	0.5200	0.5200	0.5200	0.5200
0.4800	0.4800	0.4800	0.4800	0.4800
0.4500	0.4500	0.4500	0.4500	0.4500
0.3600	0.3800	0.3600	0.3600	0.3600
0.5000	0.5500	0.5500	0.5500	0.5500
0.4000	0.4000	0.4000	0.4000	0.4000
0.3800	0.4000	0.4000	0.3700	0.3700
0.4400	0.4700	0.4700	0.4700	0.4700
0.5500	0.5650	0.5650	0.5650	0.565
1.0000	1.0450	1.0450	1.0450	1.045

**CATAWBA COUNTY, NORTH CAROLINA**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Year**

<b>Fiscal Year Ended</b>	<b>General Obligation</b>	<b>Total Taxable</b>	<b>Percentage of</b>	<b>Per</b>
<b>June 30</b>	<b>Bonds</b>	<b>Assessed Value</b>	<b>Actual Taxable</b>	<b>Capita</b>
			<b>Value of Property</b>	
2000	83,285,000	10,242,235,513	0.81	621
2001	76,450,000	10,775,447,800	0.71	540
2002	69,650,000	11,176,676,254	0.62	480
2003	63,040,000	11,568,969,626	0.54	430
2004	55,880,000	12,671,384,340	0.44	380
2005	49,340,000	12,942,756,938	0.38	332
2006	42,815,000	13,023,274,801	0.33	287
2007	36,540,000	13,359,326,399	0.27	238
2008	30,160,000	14,655,429,923	0.21	194
2009	23,765,000	15,068,712,596	0.16	151





**CATAWBA COUNTY, NORTH CAROLINA**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	2009	2008	2007	2006	2005
Assessed Value					
(after exemptions)	\$15,068,712,596	\$14,655,429,923	\$13,359,326,399	\$13,023,274,801	\$12,942,756,938
Debt Limit Rate	8%	8%	8%	8%	8%
Debt Limit	1,205,497,008	1,172,434,391	1,068,746,112	1,041,861,984	1,035,420,555
Less total net debt applicable to limit	130,663,312	121,303,793	102,721,667	111,610,000	112,385,000
Legal Debt Margin	1,074,833,696	1,051,130,598	966,024,445	930,251,984	923,035,555

Total net debt applicable to the limit as a percentage of legal debt limit	11%	10%	11%	11%	7%
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**Legal Debt Margin Calculation for Fiscal Year 2008**

Assessed Value (after exemptions)	\$15,068,712,596
Debt limit (8% of assessed value)	1,205,497,008
Debt applicable to limit	
Outstanding general obligation debt	23,765,000
Authorized and unissued general obligation debt	6,970,000
Certificates of participation	42,645,000
Installment purchase	63,603,312
Qualified Zone Academy Bonds	650,000
Less statutory deductions	
Unissued refunding bonds	(6,970,000)
Total net debt applicable to limit	130,663,312
Legal debt margin	1,074,833,696

	2004	2003	2002	2001
Assessed Value				
(after exemptions	\$12,671,384,340	\$11,568,969,626	\$11,176,676,254	\$10,775,447,800
Debt Limit Rate	8%	8%	8%	8%
Debt Limit	1,013,710,747	925,517,570	894,134,100	862,035,824
Less total net debt				
applicable to limit	69,575,814	66,859,085	73,775,188	80,653,877
Legal Debt Margin	944,134,933	858,658,485	820,358,912	781,381,947

Total net debt applicable to the limit as a percentage of debt limit	7%	7%	8%	9%
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**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population Estimate</b>	<b>Personal Income</b>	<b>Per Capita Income</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
2000	134,125	3,747,133,936	27,937	37.0	23,600	1.8%
2001	141,685	3,879,504,366	27,381	36.1	23,875	6.4%
2002	145,071	3,906,036,675	26,925	36.2	23,688	9.4%
2003	146,690	3,884,791,270	26,483	36.3	23,825	9.3%
2004	146,971	4,090,055,959	27,829	36.4	23,942	7.2%
2005	148,797	4,255,296,606	28,598	36.6	24,243	6.6%
2006	149,416	4,493,536,784	30,074	36.7	24,455	5.4%
2007	153,784	N/A	N/A	37.0	24,766	5.9%
2008	155,452	N/A	N/A	36.9	25,305	7.2%
2009	157,073	N/A	N/A	38.1	24,688	15.5%

N/A = Not Available

**Sources:**

Bureau of the Census, Department of Commerce - Employment Security Commission, Office of State Planning, Bureau of Economic Analysis

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Principal Taxpayers**  
**For the Fiscal Year Ended June 30, 2008**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>Taxable Assessed Value</b>	<b>% of Total Assessed Value</b>
Duke Energy Corporation	Electric Utility	\$633,234,896	4.20%
CommScope, Inc.	Cable Manufacturer	\$132,048,432	0.88%
Getrag Gears of North America, Inc.	Gear Manufacturer	122,577,912	0.81%
Frye Regional Medical Center	Medical Care	82,415,460	0.55%
Corning Cable Systems	Cable Manufacturer	75,125,833	0.50%
Hickory Springs Mfg. Co., Inc.	Furniture Supplies	65,248,487	0.43%
Draka Comteq Americas, Inc.	Cable Manufacturer	63,150,113	42.00%
Central Telephone Company	Telephone	55,427,978	0.37%
Valley Hills Mall, LLC	Retail	49,740,830	0.33%
Shuford Mills, Inc/Shuford Development	Textiles & Tape	43,736,518	0.29%
		<u>\$1,322,706,459</u>	<u>50.36%</u>
Total Assessed Valuation		<u>\$15,068,712,596</u>	

Source: Catawba County Tax Collector

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Principal Employers**  
**Current Year**

<b>Employer</b>	<b>Number of Employees</b>	<b>Percentage of Estimated Total County Employment</b>
Catawba County School System	1,900	2.94%
Frye Regional Medical Center	1,600	2.36%
Catawba Valley Medical Center	1,579	2.45%
CommScope, Inc.	1,525	2.48%
Catawba County Government	1,180	1.83%
Hickory Springs Manufacturing	1,000	1.55%
Corning Cable Systems	1,000	1.55%
Sherrill Furniture Company	824	1.28%
CV Industries, Inc.	678	1.05%
City of Hickory	661	1.02%
	11,947	18.51%